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Spain

Canned Deciduous Fruit

Annual

2005

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Report Highlights:

Spanish Marketing Year (MY) 2005/06 production of fresh deciduous fruit for canning will be up from MY 2004/05 levels enabling processors to process and export more fruit, when compared to last year's very low levels. The upcoming European Union (EU) fruit policy reform may reduce fruit production for processing, and ultimately, exports of canned deciduous fruit. (LR40PM8CM3SH2)

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
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Executive Summary

- Spanish canned peach exports during Marketing Year (MY) 2005/06 (June/May) will be up at some 60,000 metric tons (MT), from exceptionally low previous year levels (52,000 MT). Nevertheless, projected export levels will fall short of average levels of 66,000 MT during the MY 2001/02 to MY 2005/06. We expect that some 30 percent of the MY 2005/06 exports will be shipped into Saudi Arabia, U.S., Canada, South Korea and other non-EU destinations;
- Local canned pear exports during MY 2005/06 will be at some 13,000 MT (11,300 MT in MY 2004/05), due to a higher local fresh pear production. This level of exports also falls short of the average previous five-year level of 13,400 MT. We expect that some 17 percent of Spanish MY 2005/06 canned pear exports will be shipped into Japan, the U.S, Switzerland and other non-EU destinations;
- Spanish canned mixed fruit exports during MY 2005/06 will likely reach 9,500 MT (9,400 MT in 2004/05), slightly above the previous five-year average of 8,300 MT. Some 16 percent of total MY 2005/06 exports will be shipped into Algeria, Saudi Arabia, Kuwait and other third-country destinations.
- The canned fruit sector profits from the EU-subsidy regime. According to official data, over 95 percent of Spanish canned peach, and almost 100 percent of canned pear production is subsidized.
- The EU has plans to revise its fruit and vegetables policy, but producers have been successful delaying this revision. Our sources believe it may now be discussed during the second semester of 2006. If adopted along expected lines, the future fruit policy reform may lead to a reduction in local canned fruit production. The reform will tend to discourage fruit production on marginal areas, leading to a reduction in local processing fruit supply.
- We expect that a future EU fruit policy revision will imply introduction of similar principles to the ones introduced in the CAP reform negotiated in CY-2003 for most sectors. We can expect that producer subsidies will be at least partly decoupled and integrated in the Single Farm Payment.

Canned Peaches

Production, Supply & Distribution Table

PSD Table						
Country	Spain					
Commodity	Peaches, Canned			(MT)(MT, Net Weight)		
	2003 Revised		2004 Estimate		2005 Forecast	
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin	06/2003		06/2004		06/2005	
Deliv. To Processors	167,932	158,162	140,000	113,884	0	140,000
Beginning Stocks	2,205	19,763	17,517	24,391	0	6,861
Production	184,712	157,556	154,000	105,970	0	135,000
Imports	4,600	3,994	6,000	4,500	0	4,000
TOTAL SUPPLY	191,517	181,313	177,517	134,861	0	145,861
Exports	102,000	80,213	95,000	52,000	0	60,000
Domestic Consumption	72,000	76,709	72,000	76,000	0	76,000
Ending Stocks	17,517	24,391	10,517	6,861	0	9,861
TOTAL DISTRIBUTION	191,517	181,313	177,517	134,861	0	145,861

Production

Spain: Canned Peach Production During MY 2003/04 (2003 Revised in Table above)
(Units: Metric Tons)

	Raw Material For Processing				
	With Contract			With no Contract	Total
	With Subsidy	With no Subsidy	Total		
Peach in Syrup	104,618	4,244	108,862	14	108,876
Peach in Natural juice	46,649	1,574	48,223	1,063	49,286
TOTAL	151,267	5,818	157,085	1,077	158,162
For Mixtures	6,557	16	6,573	-	6,573
TOTAL GENERAL	157,824	5,834	163,658	1,077	164,735
	Processed End-Product, net weight				
	With Subsidy	With no Subsidy	Total	With no Contract	Total
	With Subsidy	With no Subsidy	Total	With no Contract	Total
Peach in Syrup	117,724	4,642	122,366	14	122,380
Peach in Natural juice	33,105	1,270	34,375	801	35,176
TOTAL	150,829	5,912	156,741	815	157,556
For Mixtures	7,674	29	7,703	-	7,703
TOTAL GENERAL	158,503	5,941	164,444	815	165,259

Source: Spanish Guarantee agency (FEGA)

Spain: Canned Peach Production During MY 2004/05 (Units: Metric Tons)

	Processed Raw Material		
	With Contract	No Contract	Total
Peach in Syrup	63,753	819	64,572
Peach in Natural juice	48,925	387	49,312
TOTAL	112,678	1,206	113,884
For Mixtures	6,311	-	6,311
TOTAL GENERAL	118,989	1,206	120,195
	End-Product, net weight		
Peach in Syrup	70,127	844	70,971
Peach in Natural juice	34,692	307	34,999
TOTAL	104,819	1,151	105,970
For Mixtures	5,411	-	5,411
TOTAL GENERAL	110,230	1,151	111,381

Source: Spanish Guarantee agency (FEGA)

Spain: Producer Data on Peach Delivery for Canning (*) (Units: Metric Tons)

MY 2003/04			MY 2004/05		
With Subsidy	No Subsidy	Total	With Subsidy	No Subsidy	Total
167,932	4,904	172,836	130,838	2,400	133,238

Source: FEGA. (*) Includes peaches processed in other EU member states.

We indicated in the PSD Table the total amounts of fresh peaches used in canning, except for the amount used for mixing, which we included in the PSD for Canned Mixed Fruit.

The difference in total fruit delivery to the Spanish industry, and the total delivery data given by the producers derives from the fact that large quantities of local production are processed in other EU member states.

Trade

General

Spain: Canned Peach Imports

(Metric Tons, net weight* /)

	2001/02	2002/03	2003/04	2004/05	2005/06
Total	2,929	4,178	3,994	4,500	4,000
From -- U.S.	0	0	0	0	0
EU	2,518	3,728	3,422	3,900	3,500
Other	411	450	572	600	500

Spain: Canned Peach Exports

(Metric Tons, net weight* /)

	2001/02	2002/03	2003/04	2004/05	2005/06
Total	62,813	74,844	80,213	52,000	60,000
To -- U.S.	7,820	3,509	985	800	900
EU	38,106	52,209	68,418	36,400	42,000
Other	16,886	19,127	10,810	14,800	17,100

Source: Global Trade Atlas (GTIA) up until 2003/04. FAS Office estimate for 2004/05 based on latest GTIA data, and forecast for 2005/06. */ Gross canned weight converted into net weight by application of a 0.83 conversion factor.

Trade Matrices

Import Trade Matrix

Country

Spain

Commodity

Peaches, Canned

Time Period

June/May

Units:

Metric Tons

Imports for:

2003

2004

U.S.

U.S.

Others

Others

Italy	2,032	Italy	1,850
Portugal	638	Portugal	650
Germany	280	Germany	530
Greece	168	Greece	410
France	154	France	320
Netherlands	82	Netherlands	100
Other EU	68	Other EU	40
S. Africa	490	S. Africa	430
		China	140
Total for Others	3,912		4,470
Others not Listed	82		30
Grand Total	3,994		4,500

Export Trade Matrix

Country

Spain

Commodity

Peaches, Canned

Time Period

June/May

Units:

Metric Tons

Exports for:

2003

2004

U.S.

U.S.

Others

Others

Germany	16,248	Portugal	6,800
France	14,495	France	5,800
U.K.	9,121	Germany	5,800
Portugal	7,472	U.K.	5,000
Italy	6,267	Italy	3,000
Belgium	3,077	Belgium	2,000
Other EU	11,738	Other EU	8,000
Mexico	2,533	S. Arabia	7,200
Saudi Arabia	2,362	Canada	800
South Korea	1,204	S. Korea	800
Total for Others	74,517		45,200
Others not Listed	4,711		6,000
Grand Total	80,213		52,000

Source: Global Trade Atlas (GTIA). All data was converted from raw into net weight by application of a 0.83 conversion factor.

Canned Pears

Production, Supply & Distribution Table

PSD Table						
Country	Spain					
Commodity	Pears, Canned			(MT)(MT, Net Weight)		
	2003 Revised		2004 Estimate		2005 Forecast	
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin	06/2003		06/2004		06/2005	
Deliv. To Processors	45,753	29,347	36,500	22,296	0	26,000
Beginning Stocks	11,306	5,498	18,031	8,835	0	8,024
Production	49,370	26,055	39,385	19,589	0	22,900
Imports	1,100	867	1,000	1,400	0	1,000
TOTAL SUPPLY	61,776	32,420	58,416	29,824	0	31,924
Exports	15,745	13,072	15,000	11,300	0	13,000
Domestic Consumption	28,000	10,513	29,000	10,500	0	10,500
Ending Stocks	18,031	8,835	14,416	8,024	0	8,424
TOTAL DISTRIBUTION	61,776	32,420	58,416	29,824	0	31,924

Production

Spain: Pear Processing during MY 2003/04 (2003 Revised in Table above)
(William and Rock Pear)

Units: Metric Tons (M.T.)

	Processed Raw Material				
	With Contract			With no Contract	Total
	With Subsidy	With no Subsidy	Total		
Pear in Syrup	23,020	146	23,166	123	23,289
Pear in Natural juice	5,932	-	5,932	126	6,058
TOTAL	28,952	146	29,098	249	29,347
For Mixtures	7,254	-	7,254	-	7,254
TOTAL GENERAL	36,206	146	36,352	249	36,601
	Processed End-Product				
	With Subsidy	With no Subsidy	Total	With no Contract	Total
	With Subsidy	With no Subsidy	Total		
Pear in Syrup	22,143	154	22,297	50	22,347
Pear in Natural juice	3,650	-	3,650	58	3,708
TOTAL	25,793	154	25,947	108	26,055
For Mixtures	7,472	-	7,472	-	7,472
TOTAL GENERAL	33,265	154	33,419	108	33,527

Source: Spanish Guarantee agency (FEGA)

Spain: Pear Processing during MY 2004/05 (Williams and Rock Pear)

Units: Metric Tons

	Processed Raw Material		
	With Contract	No Contract	Total
Pear in Syrup	15,878	33	15,911
Pear in Natural juice	6,385	-	6,385
TOTAL	22,263	33	22,296
For Mixtures	6,371	-	6,371
TOTAL GENERAL	28,634	33	28,667
	End-Product		
	With Contract	No Contract	Total
Pear in Syrup	15,301	35	15,336
Pear in Natural juice	4,253	-	4,253
TOTAL	19,554	35	19,589
For Mixtures	5,056	-	5,056
TOTAL GENERAL	24,610	35	24,645

Source: Spanish Guarantee agency (FEGA)

Spain: Total Williams and Rock Pears Delivered For Processing (*) Units: M.T.

MY 2003/04			MY 2004/05		
With Subsidy	No Subsidy	Total	With Subsidy	No Subsidy	Total
45,753	126	45,879	34,204	483	34,687

Source: Producer organizations. (*) Includes pears processed in other EU member states.

We indicated in the PSD Table the total amounts of fresh peaches used in canning, except for the amount used for mixing, which we included in the PSD for Canned Mixed Fruit.

The difference in total fruit delivery to the Spanish industry, and the total delivery data given by the producers derives from the fact that large quantities of local production are processed in other EU member states.

The Spanish Pear Contract Commission (COSEPER) reports that other than Spain, local pear growers sell processing pears into France, Italy and the Netherlands.

Trade**General****Spain: Canned Pear Imports (Metric Tons, net weight*)**

MY (June/May):	2001/02	2002/03	2003/04	2004/05	2005/06
Total	388	769	867	1,400	1,000
From -- U.S.	0	0	0	0	0
EU	343	469	297	220	150
Other	46	300	569	1,180	850

Source: Global Trade Atlas (GTIA) up until 2003/04. FAS Office estimate for 2004/05 based on latest GTIA data, and forecast for 2005/06. */ Gross canned weight converted into net weight by application of a 0.83 conversion factor.

Spain: Canned Pear Exports (Metric Tons, net weight*)

MY (June/May):	2001/02	2002/03	2003/04	2004/05	2005/06
Total	17,206	12,526	13,072	11,300	13,000
To -- U.S.	1,976	315	261	230	260
EU	13,606	11,051	11,832	9,480	11,000
Other	1,623	1,160	979	1,590	2,000

Source: Global Trade Atlas (GTIA) up until 2003/04. FAS Office estimate for 2004/05 based on latest GTIA data, and forecast for 2005/06. */ Gross canned weight converted into net weight by application of a 0.83 conversion factor.

Trade Matrices**Import Trade Matrix****Country**

Spain

Commodity

Pears, Canned

Time Period

June/May

Units:

Metric Tons

Imports for:

2003

2004

U.S.

U.S.

Others

Others

Germany	199	Germany	150
France	79	Portugal	50
Other EU	19	Other EU	20
China	455	China	1,100
S. Africa	113	S. Africa	50

Total for Others

865

1,370

Others not Listed

2

30

Grand Total

867

1,400

Export Trade Matrix

Country

Spain

Commodity

Pears, Canned

Time Period

June/May

Units:

Metric Tons

Exports for:

2003

2004

U.S.

261

U.S.

230

Others

Others

France	3,625	France	3,400
Germany	3,440	Germany	2,450
Italy	920	U.K.	1,220
U.K.	760	Belgium	630
Belgium	691	Netherlands	420
Netherlands	536	Denmark	420
Denmark	476	Austria	360
Other EU	1,384	Other EU	1,000
Switzerland	116	Japan	280
Canada	95	Switzerland	130
Total for Others	12,043		10,310
Others not Listed	768		760
Grand Total	13,072		11,300

Source: Global Trade Atlas (GTIA). All data was converted from raw into net weight by application of a 0.83 conversion factor.

Canned Fruit Mixtures**Production, Supply & Distribution Table**

PSD Table						
Country	Spain					
Commodity	Canned Mixtures			(MT)(MT, Net Weight)		
	2003 (Revised)		2004 (Estimate)		2005 (Forecast)	
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin	06/2003		06/2004		06/2005	
Deliv. To Processors	0	18,000	0	16,000	0	17,000
Beginning Stocks	0	3,604	0	7,498	0	6,958
Production	0	15,175	0	13,560	0	14,500
Imports	0	6,920	0	7,800	0	7,000
TOTAL SUPPLY	0	25,699	0	28,858	0	28,458
Exports	0	5,695	0	9,400	0	9,500
Domestic Consumption	0	12,506	0	12,500	0	12,500
Ending Stocks	0	7,498	0	6,958	0	6,458
TOTAL DISTRIBUTION	0	25,699	0	28,858	0	28,458

Canned fruit mixtures production data in MY 2003/04 and 2004/05 was provided by the Spanish Intervention Agency (FEGA). Data includes peach and pears used for mixing with other fruit.

We have estimated fruit deliveries to processors in MY 2003, MY 2004 and MY 2005, based on FEGA data on processed product outputs.

Trade**General****Spain: Canned Fruit Mixture Imports**

	2001/02	2002/03	2003/04	2004/05	2005/06
Total	3,964	4,572	6,920	7,800	7,000
From -- U.S.	26	0	0	0	0
EU	3,741	4,336	6,645	7,030	6,300
Other	198	236	275	770	700

Spain: Canned Fruit Mixture Exports

	2001/02	2002/03	2003/04	2004/05	2005/06
Total	10,030	6,862	5,695	9,400	9,500
To -- U.S.	2,035	685	68	50	50
EU	5,596	4,351	4,288	7,930	8,000
Other	2,399	1,827	1,340	1,420	1,450

Source: Global Trade Atlas (GTIA) up until 2003/04. FAS Office estimate for 2004/05 based on latest GTIA data, and forecast for 2005/06. */ Gross canned weight converted into net weight by application of a 0.83 conversion factor.

Trade Matrices

Import Trade Matrix

Country

Spain

Commodity

Canned Mixtures

Time Period

June/May

Units:

Metric Tons

Imports for:

2003

2004

U.S.

U.S.

Others

Others

Germany	3,066	Germany	3,620
France	1,229	France	1,150
Italy	1,582	Italy	930
Portugal	502	Portugal	760
Other EU	266	Other EU	570
S. Africa	188	China	280
China	30	Philippines	230
		S. Africa	210
Total for Others	6,863		7,750
Others not Listed	57		50
Grand Total	6,920		7,800

Export Trade Matrix

Country

Spain

Commodity

Canned Mixtures

Time Period

June/May

Units:

Metric Tons

Exports for:

2003

2004

U.S.

U.S.

Others

Others

U.K.	1,376	France	3,060
France	1,086	Netherlands	1,300
Portugal	999	Portugal	1,050
Germany	190	U.K.	970
Italy	78	Germany	850
Denmark	82	Other EU	700
Other EU	477	Algeria	340
Algeria	286	Saudi Arabia	150
Kuwait	131	Kuwait	100
Melilla	105	Melilla	90
Total for Others	4,810		8,610
Others not Listed	817		740
Grand Total	5,695		9,400

Source: Global Trade Atlas (GTIA). All data was converted from raw into net weight by application of a 0.83 conversion factor.